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INFORMATION ON UNITED NATIONS SYSTEM TECHNICAL COOPERATION EXPENDITURE, 1997

Report of the Administrator

I. PURPOSE

1. To facilitate the work of the Executive Board and in response to Governing Council decision 81/34 of 27 June 1981, the present report contains a summary of the technical cooperation expenditure of the United Nations system as a whole. The present report defines technical cooperation assistance to include the activities of the executing and specialized agencies, the United Nations Population Fund (UNFPA), UNDP, the United Nations Children's Fund (UNICEF), the World Food Programme (WFP) and the expenditures by the World Bank and the International Development Association (IDA) specifically directed to this end. Supporting data for the report is contained in document DP/1998/33/Add.1.

2. The report, it should be noted, deals only with technical cooperation activities. As a consequence, it excludes expenditures on activities relating to refugees, humanitarian and special economic assistance, peace-keeping operations and disaster relief. A complete account of the activities of the entire United Nations system can be found in the annual report of the Secretary General on development activities.

II. HIGHLIGHTS

3. Based on the data contained in document DP/1998/33/Add.1 and the table contained in the present report the following observations may be made:

Technical cooperation assistance for the United Nations system

4. Between 1993 and 1997, the United Nations system as a whole (including the World Bank and IDA) delivered $32.2 billion of technical cooperation expenditure to its member countries/territories. Expenditure hovered around $6.2 billion per year during the first four years of the period, but then it jumped to $7.1 billion in 1997, which represents (a) the highest level of technical cooperation expenditure ever delivered by the United Nations system, and (b) the largest increase, 15.3 per cent, since 1982. This especially high rate of growth was propelled principally by UNDP (central resources) and the World Bank Group.

Components of the United Nations system

5. Agencies. During the last five years, total technical cooperation expenditure from the United Nations executing agencies contracted twice, dropping most sharply in 1996, when expenditures fell by 24 per cent. While the situation was reversed in 1997, when expenditures reached $1 billion, the positive performance was insufficient to boost expenditures beyond the level of $1.2 billion delivered in 1993. Growth in 1997 was facilitated by an expansion of expenditures, particularly from regular budgets, from the United Nations Centre for Human Settlements, the United Nations Industrial Development Organization, the Food and Agriculture Organization of the United Nations, the International Atomic Energy Agency, the International Civil Aviation Agency, the International Labour Organization, the International Maritime Organization, the United Nations Postal Union and the World Intellectual Property Organization. The other agencies experienced stagnating or contracting expenditures, with the latter particularly true of the regional commissions. For these other agencies, a lack of dynamism characterized both regular and extrabudgetary expenditures.

6. Extrabudgetary contributions, marked by stagnation during 1993-1996, erupted into a growth spurt during 1997 as they reached $1.4 billion, the highest level ever, and 22 per cent more than the previous year. To an extent this rapid rate of growth is deceptive, for its chief stimulus derived from the United Nations system itself. In other words, the excellent performance resulted from the transfer of a larger volume of resources mainly from funding entities to executing agencies, which could be viewed as an indicator of growing cooperation within the system. A small fraction – about 5 per cent – of this growth was attributable to contributions from bilateral donors countries and an even smaller share to non-governmental organizations.

7. UNDP. There has been continued growth in UNDP programme-related expenditure (central resources, including cost-sharing, and funds and trust funds), with the highest rate of growth, 20.5 per cent, achieved in 1997. In absolute terms, the total value of the assistance delivered by UNDP increased from $1.2 billion in 1993 to $1.8 billion in 1997. All of this increase has taken place in the last two years.

8. Expenditures from central resources, after some degree of stagnation, expanded robustly during the last two years, averaging 22.8 per cent per year. However, expenditures from funds and trust funds administered by UNDP, accounting for 16.6 per cent of total UNDP resources during the period, grew swiftly for the first three years, and then gave way to a more subdued performance for the rest of the period.

9. Thirty-five programme countries each received more than $10 million worth of assistance from UNDP in 1997, compared to 32 countries in 1996. Cost-sharing by recipient countries themselves has grown considerably, moving from 33 per cent of the expenditures from central resources in 1993 to 56 per cent in 1997. As has historically been the case, the bulk of cost-sharing resources was provided by the Latin America and the Caribbean region – about 86 per cent in 1997.

10. UNFPA. Having peaked at $231.0 million in 1995, expenditure by UNFPA moved downwards during the last two years. However, on the positive side, the decline of 1.0 per cent in 1997 was a considerable improvement compared to the 6.3 per cent contraction in 1996. Of the $214.4 million field programme expenditures in 1997, all of which were invested in population issues, approximately 35 per cent was channelled to Africa, or 5 per cent more than the previous year. Twenty-nine per cent of expenditures were invested in Asia and the Pacific, 13 per cent in Latin America, and 11 per cent in the Arab States and Europe. The rest, 12 per cent, were delivered through interregional projects, which are interventions that seek to address population issues on a larger geographical scale. The largest recipient countries were India ($8.8 million), followed by Bangladesh ($6.8 million) and Ethiopia ($5.8 million). Twenty-seven other countries each received over $2 million during 1997.

11. UNICEF. As was the case for UNFPA, field programme expenditures of UNICEF during the last two years drifted downwards. Even so, it should be pointed out that the shortfall of 1.6 per cent 1997 was significantly below the 14.9 per cent recorded in 1996. Of the $672.7 million programme expenditures during 1997, all of which was invested in the welfare of the developing world's children, the largest share ($259 million or 38.4 per cent) was spent in Africa, followed by Asia ($208 million or 30.9 per cent), the Americas and the Caribbean ($83 million or 12.2 per cent), the Middle East and North Africa ($73 million or 10.9 per cent), and the Commonwealth of Independent States and the Baltic States ($44 million or 6.5 per cent). The rest, $6 million or 0.9 per cent, was delivered by global and interregional interventions. The largest recipient countries were India ($52.9 million), the Sudan, Bangladesh, China, Brazil and Uganda, in that order. In addition, 12 other countries each received more than $10 million during 1997.

12. Total contributions to UNICEF during 1997, amounting to $874.5 million, were 4 per cent lower than the previous year. Governments provided two thirds of the contributions; the rest were derived from fund-raising efforts in the private sector and non-governmental sources.

13. WFP. One readily noticeable feature about WFP technical cooperation expenditures are that they have been contracting since 1993, although contractions have levelled off during the past two years. Even so, the cumulative effect of the decline resulted in a 1997 expenditure level of only $1,073.6 million, the smallest since 1991. The primary recipient in 1997 was Rwanda, accounting for $145 million (14 per cent) of total expenditures, followed by the Democratic People's Republic of Korea and Ethiopia, in that order.

14. Contributions to WFP have fluctuated on a yearly basis. Those in 1997, amounting to $1.2 billion, were the lowest since 1991. Of this amount, the United States provided $351.6 million or 28.7 per cent, the European Economic Commission $190.8 million or 15.6 per cent, and Japan $106.8 million or 8.7 per cent. Australia, Canada, Denmark, Germany, the Netherlands, Norway, Sweden and the United Kingdom also provided sizeable amounts.

15. World Bank Group. Technical cooperation expenditures by the World Bank Group displayed two features: (a) an unbroken period of growth since 1991, and (b) very rapid rates of growth since 1993. The cumulative impact of these positive developments pushed total expenditures to $2.2 billion in 1997, almost twice the amount expended in 1991.

16. In 1997, the World Bank delivered $1.4 billion of technical cooperation expenditure or 20.8 per cent more than 1996 and the highest amount since 1980. The primary recipients were Argentina, Brazil, Indonesia, Mexico, Poland, and the Russian Federation, which together accounted for 64 per cent of the total. Expenditures by IDA, totalling $785.6 million in 1997, have also experienced rapid rates of growth. The five largest recipients in 1997 were, respectively, China, India, Venezuela, the United Republic of Tanzania and Bolivia. These five countries together accounted for 35.3 per cent of IDA assistance in 1997.

III. EXECUTIVE BOARD ACTION

17. The Executive Board may wish to take note of the present report.

United Nations system: summary statistics on technical cooperation expenditure and contributions, 1993-1997

	1993		1994		1995		1996		1997	
A. EXPENDITURE	$M	% [a]	$M	%	$M	%	$M	%	$M	%
1. Executing and specialized agencies	1 154.2	-1.1	1 240.8	7.5	1 270.3	2.4	965.7	-24.0	1 006.4	4.2
Regular budgetary expenditures	345.8	4.2	428.8	24.0	436.5	1.8	383.7	-12.1	402.6	4.9
Extrabudgetary expenditures	808.4	-3.1	812.0	0.4	833.8	2.7	582.0	-30.2	603.8	3.7
2. UNDP	1 204.4	3.4	1 246.3	3.5	1 257.4	0.9	1 494.3	18.8	1 800.6	20.5
Central resources (includes cost-sharing)	1031.0	0.4	1 036.5	0.5	1 014.2	-2.2	1 231.0	21.4	1 528.7	24.2
Funds and trust funds administered	173.4	25.4	209.8	21.0	243.2	15.9	263.3	8.3	271.9	3.3
3. UNFPA	134.2	4.7	201.4	50.1	231.0	14.7	216.5	-6.3	214.4	-1.0
4. UNICEF	803.7	8.1	800.6	-0.4	803.4	0.3	683.7	-14.9	672.7	-1.6
5. WFP	1 487.7	-5.5	1 394.1	-6.3	1 097.8	-21.3	1 084.9	-1.2	1 073.6	-1.0
5. World Bank Group [b]	1 411.3	21.9	1 477.4	4.7	1 742.0	17.9	1 831.0	5.1	2 187.2	19.5
World Bank	937.9	25.3	914.8	-2.5	1 094.0	19.6	1 160.3	6.1	1 401.6	20.8
IDA	473.4	15.7	562.6	18.8	648.0	15.2	670.7	3.5	785.6	17.1
6. Total, including the World Bank Group	6 195.5	4.4	6 360.6	2.7	6 401.9	0.6	6 110.7	-4.5	7 120.4	16.5
7. Total, excluding the World Bank Group	4 784.2	0.1	4 883.2	2.1	4 659.9	-4.6	4 279.7	-8.2	4 933.2	15.3
B. CONTRIBUTIONS										
8. Agencies - Extrabudgetary	1 070.4	10.0	1 044.2	-2.4	1 093.5	4.7	1 107.1	1.2	1 349.8	21.9
8.1 Total bilateral	709.7	6.6	668.5	-5.8	682.3	2.1	750.6	10.0	746.7	-0.5
Countries/territories	601.2	8.5	555.5	-7.6	540.0	-2.8	508.8	-5.8	569.2	11.9
Non-governmental organizations	36.3	9.1	40.7	12.1	61.4	50.9	79.1	28.8	86.1	8.8
Unilateral self-supporting	72.2	-7.7	72.3	0.1	80.9	11.9	162.7	101.1	91.4	-43.8
8.2 Total multilateral	360.6	17.2	375.6	4.2	419.2	11.6	356.5	-15.0	603.1	69.2
United Nations system	309.0	15.8	314.6	1.8	387.9	23.3	319.3	-17.7	570.2	78.6
Non-United Nations system	51.6	25.9	61.0	18.2	31.5	-48.5	37.2	18.1	33.0	-11.3
9. UNDP (voluntary)	890.9	-24.4	928.4	4.2	899.8	-3.1	847.9	-5.8	760.9	-10.3
10. UNICEF (voluntary)	538.9		659.3	22.4	643.5	-2.4	588.2	-8.6	566.9	-3.6
11. WFP (voluntary)	1 450.9	-17.2	1 546.3	6.6	1285.4	-16.9	1 307.7	1.7	1 225.6	-6.3

[a] % refers to percentage growth over previous year.
[b] The data for the World Bank group for the period 1993-1995 have been updated.

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